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Dear Ms McLean,

We write to you regarding proposals made by the FAA on the subject of the Introduction of overflight fees. Specifically, we are concerned about the proposal to introduce new overflight fees via an Interim Final Rule (IFR). Member airlines of the Association of Asia Pacific Airlines (AAPA)* that overfly US-controlled airspace object to the IFR process in that it will not provide all interested parties an adequate opportunity to meaningfully debate the issues.

In the 1997 Overflight Fee Interim Final Rule, the FAA referred to the principles set forth by ICAO on charges for airports and air navigation services. At that time the AAPA in its oral statement at the 1 May 1997 public hearing and in its official filing objected together with others to the use of an IFR in levying overflight charges. The AAPA and its member airlines continue to hold the view that an IFR does not conform to ICAO's recommendation regarding consultations prior to introduction of a new charges system.

On the eve of ICAO's Conference on the Economics of Airports and Air Navigation Services (ANSCONF 2000) in Montreal, 19-28 June 2000, the United States Government can ill afford to send a message that a major proponent of the development of ICAO standards will actually act in contravention of the principles it wishes other States to adhere to. Rather, the US Government should take this opportunity to set an example of the proper manner through which new charges systems are introduced.

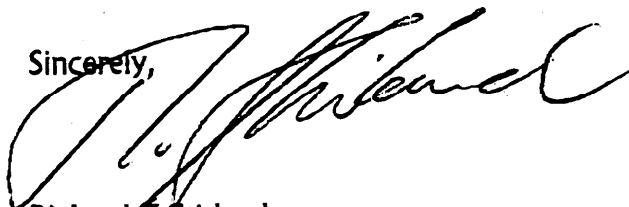
We would like to draw your attention to the fact that NAV CANADA, in its setting of Canadian charges for air transport services has consulted extensively and continues to consult with users as well as provide greater transparency than most in its cost allocation methodology. We have expressed to various officers of the FAA our suggestion for a similar modus operandi.

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In closing, the **AAPA** wishes to reiterate its objection to the vehicle of an IF 2 in introducing overflight fees and to express **its** support for meaningful and adequate consultations prior to fee imposition.

Sincerely,



Richard T. Stirland
Director General

* *The AAPA is the trade association of the major airlines based in the Asia Pacific region, founded in 1966 to provide a forum for examining international air transport issues and for developing action plans on matters of mutual concern. Its members include Air New Zealand, All Nippon Airways, Ansett Australia, Asiana Airlines, Cathay Pacific Airways, China Airliner, Dragonair, &VA Airways, Garuda Indonesia, Japan Airlines, Korean Air, Malaysia Airlines, Philippine Airlines, Qantas Airways, Royal Brunei Airlines, Singapore Airlines, Thai Airways International and Vietnam Airlines.*